LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7284 NOTE PREPARED: Apr 15, 2011 BILL NUMBER: SB 346 BILL AMENDED: Apr 13, 2011

SUBJECT: Environmental legal action statute of limitations.

FIRST AUTHOR: Sen. Gard BILL STATUS: 2nd Reading - 2nd House

FIRST SPONSOR: Rep. Wolkins

FUNDS AFFECTED: GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill specifies the statute of limitations for (1) an environmental legal action; and (2) an action for a contribution to pay for corrective action related to a release from an underground storage tank. The bill prohibits a person from reviving or raising new claims in an action that was finally adjudicated or settled prior to the effective date of the statute of limitations. It specifies that a person who brings an action prior to the effective of the statute of limitations for an environmental legal action may not amend the action or bring a new action based on the establishment of the statute of limitations.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: The impact that specifying a statute of limitations for legal action and for contribution to pay for corrective action is indeterminable. Because the Indiana Department of Environmental Management (IDEM) receives revenue for corrective actions, limiting the time frame for recovery could reduce revenue received.

Explanation of Local Expenditures:

Explanation of Local Revenues: Any governmental entity may seek to recover costs incurred for a removal action. Placing a statute of limitations for legal action could reduce revenues received for costs incurred by local units. The impact is indeterminable.

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State Agencies Affected: IDEM.

Local Agencies Affected: All.

Information Sources:

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